

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI**

**IN RE:**

**BANKRUPTCY PROCEEDING**

**O&G LEASING, LLC**

**CASE NO. 10-01851 EE**

**JOINTLY ADMINISTERED WITH  
PERFORMANCE DRILLING COMPANY, LLC  
CASE NO. 10-01852 EE**

---

**RESPONSE TO MOTION OF FIRST SECURITY BANK, AS INDENTURE TRUSTEE,  
FOR AN ORDER (A) ESTABLISHING SALES PROCEDURES IN CONNECTION  
WITH SOLICITATION OF OFFERS FOR SALE OF CERTAIN ASSETS;  
(B) APPROVING STALKING HORSE BID PROTECTION; AND  
(C) SETTING NOTICE OF OBJECTION DEADLINES AND DATES OF HEARINGS**

---

COMES NOW Washington State Bank (“WSB”), by and through its attorney, and files this its Response to Motion of First Security Bank, as Indenture Trustee, for an Order (A) Establishing Sales Procedures in Connection with Solicitation of Offers for Sale of Certain Assets; (B) Approving Stalking Horse Bid Protection; and (C) Setting Notice of Objection Deadlines and Dates of Hearings (Docket No. 441), and in support thereof responds as follows:

1.

The First Security Bank, as Indenture Trustee (“FSB”) Motion is premature. First there needs to be a determination that there is going to be a sale. FSB has submitted a Plan for a sale. But, the Plan has not been confirmed.

2.

A sale has to comply with 11 U.S.C. §363. WSB has not consented to the sale and the sale through the Plan does not pay WSB in full.

3.

WSB files this Response as a protective response to make certain that the granting of FSB's Motion is not and shall not be construed as an approval of WSB or that WSB has consented to a sale under a Plan. WSB reserves all of its rights, claims, and defenses including, but not limited to, an objection to the FSB Plan and WSB rights and claims under the guaranty of Ben Turnage.

WHEREFORE, WSB requests the Court not to approve the FSB Motion without clarification of WSB's rights and defenses.

Respectfully submitted,

WASHINGTON STATE BANK

BY: s/ Derek A. Henderson  
DEREK A. HENDERSON  
ATTORNEY FOR WASHINGTON STATE BANK

**CERTIFICATE OF SERVICE**

I, DEREK A. HENDERSON, do hereby certify that I have this date served the foregoing Response to Motion of First Security Bank, as Indenture Trustee, for an Order (A) Establishing Sales Procedures in Connection with Solicitation of Offers for Sale of Certain Assets; (B) Approving Stalking Horse Bid Protection; and (C) Setting Notice of Objection Deadlines and Dates of Hearings, via the ECF Notification Service, which provides electronic notice to the all parties of record and the following:

Jim F. Spencer, Jr.  
[jspencer@watkinseager.com](mailto:jspencer@watkinseager.com)

C. Joyce Hall  
[jhall@watkinseager.com](mailto:jhall@watkinseager.com)

Stephen W. Rosenblatt  
[steve.rosenblatt@butlersnow.com](mailto:steve.rosenblatt@butlersnow.com)

Steve Jakubowski  
[sjakubowski@colemanlawfirm.com](mailto:sjakubowski@colemanlawfirm.com)

Douglas C. Noble  
[dnoble@mmqlaw.com](mailto:dnoble@mmqlaw.com)

Robert L. Holladay, Jr.  
[rob.holladay@youngwilliams.com](mailto:rob.holladay@youngwilliams.com)

Office of the United States Trustee  
[USTPRegion05.JA.ECF@usdoj.gov](mailto:USTPRegion05.JA.ECF@usdoj.gov)

This, the 15<sup>th</sup> day of August, 2011.

s / Derek A. Henderson  
DEREK A. HENDERSON

**DEREK A. HENDERSON, MSB #2260**  
**111 East Capitol Street, Suite 455**  
**Jackson, Mississippi 39201**  
**(601) 948-3167**  
**d\_henderson@bellsouth.net**